

OFFICE OF COUNTY RECORDER
Olmsted County, Minnesota

I hereby certify that this document was filed in this office
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W MARK KRUPSKI - Co Recorder, by _____ Deputy
Well Certificate: _____ Received _____ Not Required
Abstr. - yes _____ no _____
Fees: \$46.00

Received from/return to:
CITY OF STEWARTVILLE
PO BOX 275
STEWARTVILLE MN 55976

copy 1303693

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DEVELOPMENT AGREEMENT

THIS AGREEMENT ("Agreement"), made this 24 day of October, 2012,
by and between Henry Schumann and Luella Schumann, husband and wife, (hereinafter
referred to as the "Schumanns"), and the City of Stewartville, a Minnesota municipal
corporation, (hereinafter referred to as the "City"), (collectively referred to as the "parties").

WITNESSETH:

WHEREAS, the Schumanns and City had a prior development agreement, dated August
26, 2003 (the "2003 Development Agreement") providing certain terms and conditions
conveying certain real property to the City for purposes of the extension of municipal services
and the subsequent sale of portions thereof by the City for commercial or industrial
development of the same; and

WHEREAS, the 2003 Development Agreement involved the Schumann Business Park
First Addition, which for ease of reference is hereinafter referred to as Phase 1; and

WHEREAS, the real property in Phase 1 was conveyed to the City by the Schumanns by
Warranty Deed, dated January 20, 2004, and recorded in the Office of the County Recorder,
Olmsted County, as document No. A-1020660; and

WHEREAS, the real property in Phase 1 owned by the City is legally described and
depicted on Exhibit A, which is attached hereto and incorporated herein by reference; and

WHEREAS, the City has paid the Schumanns, since 2003, for portions of the Phase 1
property, which the City has subsequently sold to private entities for development; and

WHEREAS, certain lots located in the Phase 1 property remain owned by the City and
are unsold and for which payment has not been made to the Schumanns as evidenced by that

11-2-12
City of Stewartville
P.O. Box 275
Stewartville, MN
55976
ddp

certain mortgage between the parties dated January 30, 2004 in the amount of \$967,032.00; and

WHEREAS, the City desires and the Schumanns agree to release the City from the above-referenced mortgage and to execute a promissory for only those lots remaining unsold and owned by the City in the Phase 1 property; and

WHEREAS, the parties recently entered into an addendum to the 2003 Development Agreement, dated January 5, 2012, (the "2012 Addendum") for the Schumann Business Park Second Addition, which included approximately 8.81 acres conveyed by the Schumanns to the City and then from the City 7.51 acres to a private entity, FedEx Corporation; and

WHEREAS, the 2012 Addendum involved the Schumann Business Park Second Addition, which for ease of reference is hereinafter referred to as Phase 2; and

WHEREAS, the real property in Phase 2 is owned by the Schumanns and

WHEREAS, the real property in Phase 2 owned by the Schumanns is legally described and depicted on Exhibit B, which is attached hereto and incorporated herein by reference; and

WHEREAS, the 2003 Development Agreement has now expired and the parties hereto desire to enter into this new agreement for the purposes of the continued development of that real property in Phase 1 and Phase 2; and

WHEREAS, it appears that it will be in the best interests of the Schumanns and the City to develop portions of the Phase 1 and Phase 2 property situated westerly of U.S. Highway No. 63 in the City, Olmsted County, Minnesota for Industrial/Commercial Park Property.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed between the parties as follows:

1. Duration. This Agreement shall remain in effect commencing the date first written above through November 1, 2016, unless earlier terminated or rescinded in accordance with its terms.
2. Real Property. This Agreement shall be applicable to that real property legally described in Exhibit "A" (Phase 1) and Exhibit "B" (Phase 2), which are attached hereto and incorporated herein by reference. The Schumanns have previously conveyed to the City, by warranty deed, that certain real property, the Phase 1 property, located in the City, County of Olmsted and legally described in Exhibit "A".

3. City Responsibilities. That the City shall, at its own expense, construct an Industrial/Commercial Park upon said real property legally described in Exhibits "A" and "B", as follows:
 - a. Phase 1. The City has previously, at its own expense, constructed sanitary sewer and water improvements to the property owned by the City and described in Exhibit "A". Additionally, the City shall, at its sole expense, construct all other necessary and appropriate infrastructure improvements upon the above-described properties including a collector roadway, storm sewer improvements, a regional storm water retention pond and bituminous roadway improvements. The City shall recover all of its costs and expenses for infrastructure, improvements and otherwise from the City's sale of lots in the Phase 1 property.
 - b. Phase 2. The City shall construct sanitary sewer and water improvements to the property owned by the Schumanns and described in Exhibit "B". Additionally, the City shall construct all other necessary and appropriate infrastructure improvements upon the above-described properties. The City shall assess all its costs and expenses associated with infrastructure and improvements on the Phase 2 property as allowed by law against all property owned by the Schumanns or their successors and assigns within the Phase 2 property. The Schumanns hereby waive any objections and any appeals of the assessments levied by the City against the Phase 2 property for the above improvements.
4. Ownership of Infrastructure. The City shall exclusively own and maintain all roadways, right-of-ways, and public utility infrastructure, including but not limited to sewer, water and the storm water. The City shall plat the Phase 1 and Phase 2 property in such a manner that the unplatted land has access to a public roadway.
5. Schumann Farmstead. The Henry and Luella Schumann farmstead (including the tree line) shall not be annexed to the City, unless and until Henry and Luella Schumann or their successors in title petition the City for annexation thereof.
6. Schumann Home Farm. The Schumann "home farm," consisting of approximately 80 acres more or less, shall be excluded in all respects from this Agreement and the City shall have no rights in said property, unless and until Henry and Luella Schumann or their successors in title consent or give approval for development or sale. The Schumann "home farm" is legally described in Exhibit "C", which is attached hereto and incorporated herein by reference.

7. Storm Water Pond. The City agrees that the existing storm water retention pond located in Outlot B in Phase 1 shall not be removed, and the City also agrees that as many trees as practicable sited around the pond shall be preserved.
8. Unsold Lots in Phase 1. The Parties agree that the following are the unsold City lots in the Schumann Business Park Phase 1 (Exhibit "A") on the date of this Agreement: Lot 2, Block 2; Lot 1, Block 3; Lot 2, Block 3; Lot 3, Block 3; and Lot 5, Block 3. The above identified unsold City lots represent cumulatively approximately 10.1 acres or 439,956 square feet. These lots have been conveyed to the City by the Schumanns by Warranty Deed, dated January 20, 2004, and recorded in the Office of the County Recorder, Olmsted County, as document No. A-1020660. The City shall pay the Schumanns the sum of \$1.20 per square foot for that portion of unsold property in Phase 1 sold to a third party at the time that the City closes on the sale of said property. The payment required to be made by the City to the Schumanns is evidenced by that mortgage (security instrument) executed by the City attached hereto and incorporated herein by reference as Exhibit D.
9. Release. The Schumanns hereby agree, commensurate with execution of this Agreement, to execute the release of mortgage, attached hereto and incorporated herein by reference as Exhibit E, releasing the City from that certain mortgage between the parties dated January 30, 2004 in favor of the above mortgage, Exhibit D; and
10. Crops. The Schumanns shall be allowed to plant crops upon all or any portion of the unsold land described in the attached Exhibits "A" and "B" at no rental cost to be Schumanns. If any of the Schumann's standing crops are damaged by soil boring, surveying, construction of infrastructure improvement or any other activity undertaken in the development of this land, neither the City nor its successors in title shall be liable to the Schumanns for any sums whatsoever for the damage of destruction of their crops.
11. Real Estate Taxes. Real estate taxes are the sole responsibility of the property owner.

12. Option and Right of First Refusal.

- a. Option. The Schumanns own the remaining unsold lots in Phase 2 property legally described in Exhibit "B". The Schumanns hereby grant to the City the option to purchase all or any portion of those Phase 2 lots legally described on the attached Exhibit "B" during the period of this Agreement. The City's option is exercisable by not less than 5 days written notice to the Schumanns to purchase the Phase 2 property or any portion thereof. Such option to purchase Phase 2 property shall be subject to the following conditions:
 - i. The City shall pay to the Schumanns the sum of \$1.20 per square foot plus any or all assessments charges, which include the principal and interest per parcel. Notwithstanding the foregoing, any part of the real property described above purchased by the City that will include land developed as a street or retention pond may be purchased by the City for the sum of \$1.00 per square foot.
 - ii. It is the intention of the parties that the City will exercise its option to acquire parcels in the Phase 2 property described in Exhibit "B" if and when there is a proposed purchaser for a lot located in the Phase 2 property, but the City hereby reserves its rights to exercise its option for other reasons in the public interest.
 - iii. The purchase price for the property shall be paid by the City at the time of closing on the sale of the property by the City to a third party.
 - iv. Upon notification from the City to the Schumanns of an offer or purchase agreement between the City and a third party for the sale of the Phase 2 property or any portion thereof, the Schumanns shall, within 15 days of notice from the City, execute and deliver to the City a Warranty Deed, free and clear of all taxes, liens, encumbrances, restrictions, rights, or exceptions except those of record which are acceptable to the City, for said property from the Schumanns, as Grantor, to the City, as Grantee,

for the legally described property included in the purchase agreement. The form of the Warranty Deed shall be as attached hereto and incorporated herein as Exhibit F.

- b. Right of First Refusal. During the term hereof, the City shall have the first right to purchase all or any portion of the property legally described on the attached Exhibit "B" pursuant to the following terms and conditions:
- i. If the Schumanns receive a bona fide offer from other than the City to purchase said Phase 2 property or any portion thereof, said offer shall be provided to the City within 48 hours of receipt by the Schumanns. The Schumanns shall notify the City of such offer in writing, delivered to the City Administrator at Stewartville City Hall.
 - ii. The City shall have 30 days after its receipt of written notice containing the terms of the offer to exercise its option to purchase the Phase 2 property, which is the subject of the offer. The purchase price and terms shall be the same as those offered by the prospective third party property purchaser.
 - iii. If the City shall give notice of intent not to purchase the Phase 2 property described in the bona fide third party offer or shall give no notice within the time herein limited to exercise its option, the Schumanns may accept such third party offer and proceed with the sale of the Phase 2 property described in the bona fide offer without further obligation under this Agreement with respect to said property.
 - iv. If the City notifies the Schumanns that it elects to purchase said described property described in the bona fide third party offer, the parties shall enter into a contract of purchase and sale forthwith in a form consistent with the Minnesota Standard Form Vacant Land Purchase Agreement. Such contract shall provide, among other things, for prorating taxes to date of closing and for the conveyance of good and marketable title by Warranty Deed. The Schumanns shall execute and deliver a Warranty Deed to the City, free and clear of all taxes, liens, encumbrances, restrictions,

rights, or exceptions except those of record which are acceptable to the City, for said property from the Schumanns, as Grantor, to the City, as Grantee, for the legally described property included in the purchase agreement. The form of the Warranty Deed shall be as attached hereto and incorporated herein as Exhibit F.

- c. Condition of the Property. Under either paragraph 12.a. or 12.b. above, the Schumanns shall not transfer or encumber any interest in the real property during the term of this Agreement or prior to conveyance to the City, except that the Schumanns may lease said real property for agricultural purposes. The Schumanns shall remove all rubbish or trash, including any hazardous or harmful chemical substances, from the property prior to conveyance but shall otherwise keep the property in its current condition and shall prevent and refrain from any use of the property for any purpose or in any manner which would diminish value or adversely affect the City's intended use of the property for developmental purposes.
- d. Right of Entry and Inspection. The City and its agents shall have the right to enter upon the real property at reasonable times for surveying, conducting an environmental inspection and assessment to detect hazardous or toxic substances, and for other reasonable purposes related to this transaction. Based upon the results of the environmental inspection and assessment, the City may elect to refuse to exercise its option or accept the property or any portion thereof.
- e. Representations and Warranties. The Schumanns warrant and represent to the City the following matters with respect to the Phase 2 real property described herein, with the intent that these representations and warranties shall survive the conveyance:
 - i. Title to the Property/Authority. The Schumanns are the sole legal owners of the Phase 2 property in fee simple. The Phase 2 property is currently subject to a lease for agricultural purposes. The property is not now subject to any other written or oral lease, option, agreement of sale, claim, or legal proceeding except as set forth herein. If the property is subject to a mortgage, the Schumanns agree to obtain a partial release of the property at or

before closing. The Schumanns have the full power and authority to execute this Agreement and all agreements and documents referred to in this Agreement and to fully perform as required by this Agreement.

- ii. Hazardous Waste, Pollutants and Contaminants. The Schumanns have no knowledge that the Phase 2 property is now or ever has been used for the manufacture, use, storage, or disposal of any hazardous or toxic substance, pollutants or contaminants, within the meaning of an applicable environmental statute, ordinance or regulation. To the best of the Schumann's knowledge no hazardous or toxic substances, pollutants or contaminants, including asbestos or materials containing or producing polychlorinated biphenyls (PCBs), are presently stored or located on the property. To the best of the Schumann's knowledge the Phase 2 property is not subject to any "Superfund" or similar lien or any claim by any government regulatory agency or third party related to the release or threatened release of any hazardous or toxic substance. To the best of the Schumann's knowledge, methamphetamine production has never occurred on the Phase 2 property.
- iii. Underground Storage Tanks. To the best of the Schumann's knowledge there are no underground storage tanks located upon or under the Phase 2 property, or if there are any such tanks located on the property, they have been properly registered with all appropriate environmental authorities and are in full compliance with all applicable statutes, ordinances, and regulations.

- 13. Plat. The Parties acknowledge that a portion of the Phase 2 property described in the attached Exhibit "B" shall be platted as Schumann Business Park Second Addition pursuant to the Subdivision Ordinance of the City of Stewartville. The Schumanns agree that they shall support and not oppose the platting process and they shall cooperate in all respects with the platting process, including the execution of the necessary platting documents. It is agreed that all costs, fees and expenses associated with the platting process shall be borne by the City.

14. Term, Termination and Effect of Termination. This Agreement shall terminate at the close of City business (4:30 p.m.) on November 1, 2016, unless otherwise terminated sooner as provided herein. Notwithstanding the foregoing, this Agreement may also be terminated prior to expiration by mutual agreement of the parties hereto. In the event that this Agreement expires or is terminated without extension or renewal by the Parties, upon the expiration or termination of this Agreement as provided herein, the following obligations shall survive until completed:

a. Phase 1 Property.

- i. If the City elects, by providing written notice to the Schumanns at least 30 days prior to expiration or termination hereof, to remain as owner of the Phase 1 property as provided in that Warranty Deed from the Schumanns to the City for the Phase 1 property, and the City pays the Schumanns the agreed upon amount stated in the mortgage (security instrument), Exhibit D, the Schumanns shall, within 30 days of final payment from the City on the mortgage, provide a signed satisfaction and release to the City of that mortgage (security instrument) between the parties, Exhibit D, without further obligation, financial or otherwise, upon the City.
- ii. If the City does not elect, by providing written notice to the Schumanns at least 30 days prior to expiration or termination hereof, to remain as owner of the Phase 1 property as provided in that Warranty Deed from the Schumanns to the City for the Phase 1 property, the City shall, within 30 days of the termination or expiration of this Agreement, provide a Quit Claim Deed to the Schumanns for that portion of the Phase 1 property remaining in City ownership, subject to reservation of all easement and public rights-of-way. In such event, the Schumanns shall, within 30 days of receipt of said Quit Claim Deed from the City, provide a signed satisfaction and release to the City of that mortgage (security instrument) between the parties, Exhibit D, without further obligation, financial or otherwise, upon the City.

- iii. In the event that the City does not exercise its option for all or any portion of the lands described above in Exhibit A, the City shall be entitled to reimbursement from the Schumanns for improvements made by the City, including but not limited to the construction of streets, curbs, gutters, water lines, sanitary sewer lines and storm sewer lines not serving property already purchased by the City. Such improvements shall be paid in the form of an assessment on the unsold benefited lands. The amount of such assessment shall bear no interest until such time as an assessment is certified to the benefited property. At the time of certification, the City's assessment policy will be in effect which includes a term of 10 years at an interest rate of 1% higher than the current bond rate. One-tenth of the principal and interest on the unpaid assessment balance will be due annually as part of the property tax statement. Any such assessment shall be reduced by any grants received by the City for such improvements. Any property reacquired by the Schumanns from the City shall be subject to normal and customary Sewer Access Fees and Water Access Fees and hookup charges.

15. ADDITIONAL PROVISIONS

- a. Entire Agreement. This Agreement shall supersede in all respects the 2003 Development Agreement, dated August 26, 2003, as amended January 5, 2012 and that certain mortgage ("security instrument") dated January 30, 2004. This Agreement, including any Schedules and Exhibits hereto, contains the entire agreement of the parties relating to the subject matter herein, and no other prior or contemporary agreements, oral or written, shall be binding upon the parties hereto.
- b. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns as provided and as conditioned in this Agreement.
- c. Conflicts of Interest/No Personal Liability. No member of the governing body or other official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to the Agreement

which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the Schumanns in the event of any default or breach by the City or for any amount that may become due to the Schumanns for any obligations under the terms of this Agreement.

- d. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and
 - i. In the case of the Schumanns is addressed to or delivered personally to:

Henry Schumann
2516 – 2nd Avenue NW
Stewartville, MN 55976
 - ii. In the case of the City is addressed to or delivered personally to:

Bill Schimmel, Jr.
City Administrator
P.O. Box 275
Stewartville, MN 55976
 - iii. or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.
- e. Data Practices. The parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- f. Voluntary and Knowing Action. The parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents thereof based on the advice of legal counsel of their own

choosing; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.

- g. Authorized Signatories. The parties each represent and warrant to the other that (1) the persons signing this Lease are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Lease against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- h. Remedies. In addition to any other remedy specifically set forth in this Agreement, the parties each have the right to enforce the provisions of this Agreement through an action for specific performance, injunctive relief, damages, or any other available proceedings in law or equity. The election of any one remedy available under this Instrument shall not constitute a waiver of other available remedies.
- i. Cumulative Rights. No right or remedy herein conferred on or reserved to the parties is intended to be exclusive of any other right or remedy provided by law, but each shall be cumulative in and in addition to every other right or remedy given herein or elsewhere or hereafter existing at law or in equity or by statute.
- j. Amendment, Modification, or Waiver. No amendment, modification, or waiver of any condition, provision, or term of this Agreement shall be valid or of any effect unless made in writing, signed by the party or parties to be bound, or its duly authorized representative, and specifying with particularity the extent and nature of such amendment, modification, or waiver. Any waiver by any party of any default of another party shall not affect or impair any right arising from any subsequent default.
- k. Rules of Interpretation.
 - i. Governing Law. This Agreement shall be interpreted in accordance with and governed by the laws of the State of Minnesota,

- ii. Headings. Any headings, captions, or titles of the several parts, articles, sections, and paragraphs of this Agreement are inserted for convenience and reference only and shall be disregarded in construing or interpreting any of its provision.
- iii. Conflict Between Agreements. In the event of any conflict between the terms, conditions and provisions of this Agreement and the terms, conditions and provisions of any other instrument, the terms, conditions and provisions of this Agreement shall control and take precedence.
- iv. Severable Provisions. Each provision, section, sentence, clause, phrase, and word of this Agreement is intended to be severable. If any provision, section, sentence, clause, phrase, and word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Development Agreement on the data and year first above written.

THE SCHUMANNS

Henry Schumann

By: _____

Henry Schumann

Luella Schumann

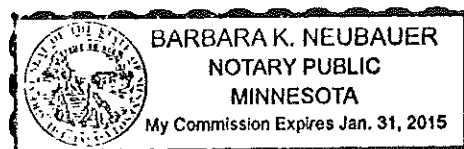
By: _____

Luella Schumann

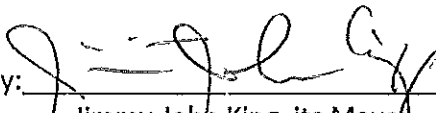
STATE OF MINNESOTA)
) ss.
COUNTY OF OLMSTED)

The foregoing instrument was acknowledged before me this 30 day of Oct, 2012 by Henry Schumann and Luella Schumann, husband and wife.


Barbara K. Neubaum
Notary Public



CITY OF STEWARTVILLE

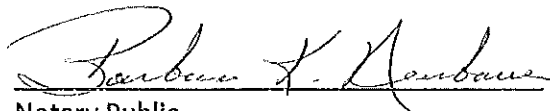
By: 
Jimmy-John King, Its Mayor

Attest:

By: 
Bill Schimmel, Jr., its City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF OLMSTED)

The foregoing instrument was acknowledged before me this 24th day of Oct, 2012 by Jimmy-John King and Bill Schimmel, Jr., the Mayor and City Administrator of the City of Stewartville, a municipal corporation under the laws of the State of Minnesota on behalf of the City.


Notary Public

THIS INSTRUMENT DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

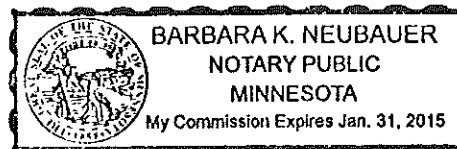


EXHIBIT A
MAP AND LEGAL DESCRIPTION OF THE PHASE 1 PROPERTY
(SCHUMANN BUSINESS PARK FIRST)

Exhibit A
SCHUMANN BUSINESS PARK

That part of the South Half of the Southwest Quarter of Section 22, and that part of the North Half of the Northwest Quarter of Section 27, all in Township 105 North, Range 14 West, Olmsted County, Minnesota, described as follows:

Beginning at the southeast corner of the Southwest Quarter of said Section 22; thence northerly on a Minnesota State Plane Grid Azimuth from north of 359 degrees 51 minutes 07 seconds along the east line of said Southwest Quarter 206.29 feet; thence westerly 269 degrees 45 minutes 03 seconds azimuth 519.60 feet; thence northerly 359 degrees 48 minutes 27 seconds azimuth 71.16 feet; thence westerly 270 degrees 07 minutes 51 seconds azimuth 807.25 feet; thence southwesterly 237 degrees 04 minutes 07 seconds azimuth 80.00 feet; thence southeasterly 147 degrees 04 minutes 07 seconds azimuth 280.69 feet to the south line of said Southwest Quarter; thence continuing southeasterly 147 degrees 04 minutes 07 seconds azimuth 81.64 feet; thence southeasterly 65.65 feet along a tangential curve concave northeasterly, having a radius of 440.00 feet and a central angle of 8 degrees 32 minutes 54 seconds; thence southwesterly 236 degrees 46 minutes 53 seconds azimuth 344.89 feet; thence southeasterly 147 degrees 04 minutes 07 seconds azimuth 415.25 feet; thence easterly 89 degrees 52 minutes 04 seconds azimuth 1226.96 feet to the east line of the Northwest Quarter of said Section 27; thence northerly 359 degrees 28 minutes 22 seconds azimuth along said east line 657.48 feet to the point of beginning.

Said tract contains 27.27 acres more or less.

EXHIBIT B
MAP AND LEGAL DESCRIPTION OF THE PHASE 2 PROPERTY
(SCHUMANN BUSINESS PARK SECOND)

Exhibit B
SCHUMANN BUSINESS PARK SECOND

Part of the North Half of the Northwest Quarter, Section 27, and part of the South Half of the Southwest Quarter, Section 22, all in Township 105 North, Range 14 West, Olmsted County, Minnesota, described as follows:

Beginning at the northwest corner of the Northwest Quarter of said Section 27; thence southerly on a Minnesota State Plane Grid Azimuth from north of 179 degrees 29 minutes 57 seconds azimuth along the west line of said Northwest Quarter 526.92 feet; thence easterly 90 degrees 00 minutes 00 seconds azimuth 805.35 feet; thence southeasterly 98.72 feet on a non-tangential curve concave northeasterly, having a radius of 333.00, a central angle of 16 degrees 59 minutes 09 seconds, and a chord azimuth of 155 degrees 33 minutes 42 seconds; thence southeasterly 147 degrees 04 minutes 07 seconds azimuth 48.00 feet; thence northeasterly 57 degrees 04 minutes 07 seconds azimuth 465.56 feet to the southwesterly line of Lot 5, SCHUMANN BUSINESS PARK, according to the plat thereof on file at the County Recorder's office, Olmsted County, Minnesota; thence northwesterly 327 degrees 04 minutes 07 seconds azimuth, along said southwesterly line, 114.67 feet to the most westerly corner of said Lot 5; thence northeasterly 56 degrees 46 minutes 42 seconds azimuth, along the northwesterly line of said Lot 5, a distance of 344.90 feet to the southwesterly right-of-way line of Schumann Drive N.W. according to said plat of SCHUMANN BUSINESS PARK; thence northwesterly along said southwesterly right-of-way line 65.65 feet on a non-tangential curve concave northeasterly, having a radius of 440.00, a central angle of 08 degrees 32 minutes 54 seconds, and a chord azimuth of 322 degrees 47 minutes 40 seconds; thence northwesterly 327 degrees 04 minutes 07 seconds azimuth, along said southwesterly right-of-way line, 81.64 feet to the north line of said Northwest Quarter; thence continue northwesterly 327 degrees 04 minutes 07 seconds azimuth, along said southwesterly right-of-way line, 280.69 feet to the most westerly corner of Schumann Drive N.W. according to said plat of SCHUMANN BUSINESS PARK; thence continue northwesterly 327 degrees 04 minutes 07 seconds azimuth, 25.00 feet; thence southwesterly 237 degrees 04 minutes 07 seconds azimuth 473.66 feet to the north line of said Northwest Quarter; thence westerly 269 degrees 54 minutes 21 seconds azimuth along said north line 845.92 feet to the point of beginning.

Said tract contains 17.93 acres, more or less.

EXHIBIT C
MAP AND LEGAL DESCRIPTION OF THE SCHUMANN HOME FARM

EXHIBIT C

That part of the South Half of the Southwest Quarter of Section 22, Township 105 North, Range 14 West, Olmsted County, Minnesota, lying west of the westerly right of way of Trunk Highway No. 63, described as follows:

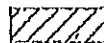
Beginning at the northeast corner of Outlot A, SCHUMANN BUSINESS PARK, according to the plat thereof on file at the Recorder's office, Olmsted County, Minnesota; thence westerly on a Minnesota State Plan Grid Azimuth from north of 269 degrees 45 minutes 03 seconds along the north line of said SCHUMANN BUSINESS PARK, 450.00 feet; thence northerly 359 degrees 48 minutes 27 seconds azimuth along said north line 71.16 feet; thence westerly 270 degrees 07 minutes 51 seconds azimuth along said north line 807.25 feet; thence southwesterly 237 degrees 04 minutes 07 seconds azimuth along said north line 80.00 feet to the northwest corner of said SCHUMANN BUSINESS PARK; thence northwesterly 327 degrees 04 minutes 07 seconds azimuth 25.00 feet; thence southwesterly 237 degrees 04 minutes 07 seconds azimuth 473.66 feet to the south line of said South Half of the Southwest Quarter; thence westerly 279 degrees 54 minutes 21 seconds azimuth along said south line 845.92 feet to the west line of said South Half; thence northerly 359 degrees 43 minutes 30 seconds azimuth along said west line 1311.81 feet to the north line of said South Half; thence easterly 89 degrees 47 minutes 45 seconds azimuth along said north line 2185.78 feet to a point on said line 400.0 feet west of the westerly right-of-way line of Trunk Highway No. 63; thence southerly 179 degrees 47 minutes 45 seconds azimuth 30.00 feet; thence easterly 89 degrees 47 minutes 45 seconds azimuth 399.63 feet to said westerly right of way line of Trunk Highway No. 63; thence southerly 198.87 feet along said westerly right of way line on a nontangential curve concave easterly, having a radius of 17,330.81 feet, a central angle of 00 degrees 39 minutes 26.9 seconds, and a chord azimuth of 180 degrees 08 minutes 06 seconds; thence southerly 179 degrees 48 minutes 27 seconds azimuth along said westerly right of way line 881.78 feet to the point of beginning.

Said tract contains 68.75 acres more or less.

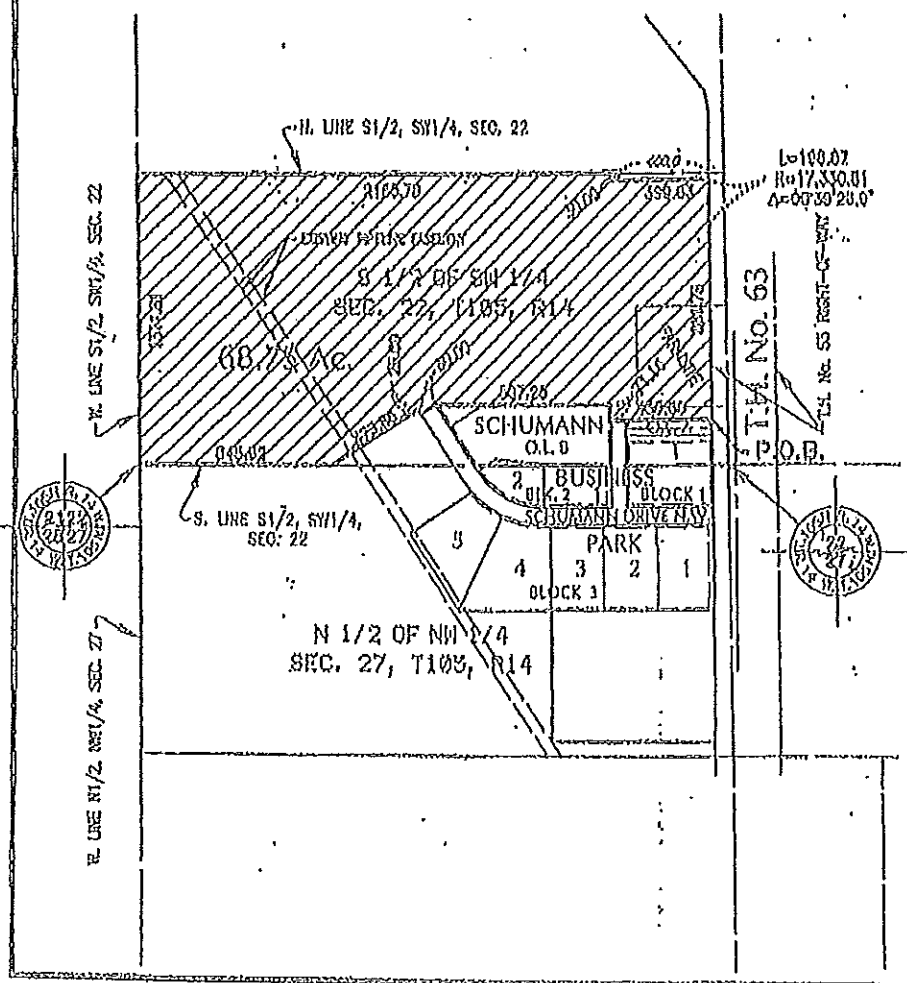


0 250 500 1000
SCALE IN FEET

EXHIBIT A
PART OF S1/2, SW 1/4
SEC. 22, T105N, R14W
OLMSTED COUNTY, MINNESOTA



DENOTES AREA A



PROJECT NUMBER

0598

SECTION

I HEREBY CERTIFY THAT THIS SURVEY, PLAN OR
REPORT WAS PREPARED BY ME OR UNDER MY

ENGINEERS

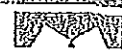


EXHIBIT D
MORTGAGE (SECURITY INSTRUMENT)

(Top 3 inches reserved for recording data)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on October 24, 2012. The mortgagor is the City of Stewartville, a municipal corporation under the laws of the state of Minnesota (the "Borrower" or "City"). This security instrument is given to Henry Schumann and Luella Schumann, husband and wife (the "Lender" or "Schumanns"). Borrower and Lender are collectively referred to herein as the "parties". This security instrument is for the sole purpose of securing the terms of that certain Development Agreement between the parties, dated October 24, 2012 (the "2012 Development Agreement"). This security instrument is intended to secure payment by the Borrower to the Lender for the following City owned, and unsold as of the date of this Instrument, described real property, conveyed by warranty deed by the Lender to the Borrower January 20, 2004, for the Schumann Business Park Phase 1 ("Phase 1"):

Lot 2, Block 2; Lot 1, Block 3; Lot 2, Block 3; Lot 3, Block 3; and Lot 5, Block 3,
Schumann Business Park, City of Stewartville, Olmsted County, Minnesota.

(the "Property")

The above identified and unsold City lots represent cumulatively approximately 10.1 acres or 439,956 square feet. These unsold lots, among other lots that have since been sold by the City and for which the Lender has received payment, were conveyed to the City by the Schumanns by Warranty Deed, dated January 20, 2004, and recorded in the Office of the County Recorder, Olmsted County, as document No. A-1020660 (the "Warranty Deed").

In accordance with paragraph 8 of the 2012 Development Agreement, the City shall pay the Schumanns the sum of \$1.20 per square foot for that portion of unsold property in Phase 1 sold to a third party at the time that the City closes on the sale of said property.

Accordingly, the debt secured by this Security Instrument is Five Hundred Twenty Seven Thousand Nine Hundred Forty Seven and 20/100 Dollars (U.S. \$527,947.20) (or such amount as set forth in the 2012 Development Agreement).

The amount owed by Borrower to Lender is contingent upon the amount of square feet sold by the City to a third party or the amount of square feet the City elects to make payment upon to

the Lender in accordance with paragraph 14 of the 2012 Development Agreement during the term thereof, multiplied by \$1.20 per square feet.

In accordance with paragraph 14 of the 2012 Development Agreement, if the City elects, by providing written notice to the Schumanns, at least 30 days prior to expiration or termination of the 2012 Development Agreement, to remain as owner of the Phase 1 property as provided in that Warranty Deed from the Schumanns to the City for the Phase 1 property, and the City shall pay the Schumanns the agreed upon amount stated in herein. In such event, the Schumanns shall, within 30 days of final payment from the City on the mortgage, provide a signed satisfaction and release of mortgage to the City releasing this mortgage (security instrument) between the parties without further obligation, financial or otherwise, upon the City.

In accordance with paragraph 14 of the 2012 Development Agreement, if the City does not elect, by providing written notice to the Schumanns at least 30 days prior to expiration or termination of the 2012 Development Agreement, to remain as owner of the Phase 1 property as provided in that Warranty Deed from the Schumanns to the City for the Phase 1 property, the City shall, within 30 days of the termination or expiration of the 2012 Development Agreement, provide a Quit Claim Deed to the Schumanns for that portion of the Phase 1 property remaining in City ownership, subject to reservation of all easement and public rights-of-way. In such event, the Schumanns shall, within 30 days of receipt of said Quit Claim Deed from the City, provide a signed satisfaction and release of mortgage to the City releasing this mortgage (security instrument) between the parties without further obligation, financial or otherwise, upon the City.

A copy of the 2012 Development Agreement is attached hereto. This Security Instrument secures to Lender: (a) the debt evidenced by the 2012 Development Agreement, without interest, and renewals, extensions and modifications; (b) the payment of all other sums, advanced under paragraph 6 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the 2012 Development Agreement. For this purpose, the Borrower does hereby mortgage, grant and convey to Lender, with the power of sale of the above described Property.

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of the debt evidenced by the 2012 Development Agreement and any prepayment charges and late charges due under the 2012 Development Agreement.

2. **Application of Payments or Proceeds.** Unless applicable law provides otherwise, all payments received by Lender shall be applied to principal due under the 2012 Development Agreement.

3. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument. Borrower shall pay these obligations on time to the person directly owed payment. Upon demand by Lender, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above.

4. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, any insurance proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed.

If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given.

In either event, or if Lender acquires the Property, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under this Security Instrument, whether or not then due.

5. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property.

If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to such an inspection specifying such reasonable cause.

6. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding.

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, divided by (b) the fair market value of the Property immediately before the partial taking. Any balance shall be paid to Borrower.

In the event of a partial taking of the Property in which the fair market value of the Property immediately before the partial taking, is less than the amount of the sums secured immediately before the partial taking, unless Borrower and Lender otherwise agree in writing, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offered to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds

either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

8. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

9. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

10. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by the laws of the State of Minnesota. In the event that any provision or clause of this Security Instrument or the 2012 Development Agreement conflicts with applicable Law, such conflict shall not affect other provisions of this Security Instrument or the 2012 Development Agreement, which can be given effect without the conflicting provision. To this end, the provisions of this Security Agreement and the 2012 Development Agreement are declared to be severable.

11. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable Law.

12. **Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the 2012 Development Agreement as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred.

13. **Acceleration; Remedies.** Lender shall give notice to Borrower by certified mail to the address of Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the

default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided herein, including, but not limited to, reasonable attorneys' fees.

If Lender invokes the power of sale, Lender shall cause a copy of a notice of sale to be served upon any person in possession of the Property. Lender shall publish a notice of sale, and the Property shall be sold at public auction in the manner prescribed by applicable law. Lender or its designee may purchase the Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

14. **Lender in Possession.** Upon acceleration under paragraph 13 or abandonment of the Property, and at any time prior to the expiration of any period of redemption following sale of the Property, Lender (in person or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by the Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fee, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

15. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall, within 30 days of final payment from the City on the mortgage, provide a signed satisfaction and release of mortgage to the City discharging and releasing the Borrower from this mortgage (security instrument) between the parties without further obligation, financial or otherwise, upon the Borrower.

Alternatively, in accordance with paragraph 14 of the 2012 Development Agreement, if the Borrower does not elect, by providing written notice to the Lender at least 30 days prior to expiration or termination of the 2012 Development Agreement, to remain as owner of the Phase 1 property as provided in that Warranty Deed from the Schumanns to the City for the Phase 1 property, the City shall, within 30 days of the termination or expiration of the 2012 Development Agreement, provide a Quit Claim Deed to the Schumanns for that portion of the Phase 1 property remaining in City ownership, subject to reservation of all easement and public rights-of-way. In such event, the Lender shall, within 30 days of receipt of said Quit Claim Deed from the City, provide a signed satisfaction and release of mortgage to the City discharging and releasing the Borrower from this mortgage (security instrument) between the parties without further obligation, financial or otherwise, upon the Borrower.

16. **Waiver of Homestead.** Borrower waives all right of homestead exemption in the Property.

17. **Interest on Advances.** The interest rate on advances made by Lender under this Security Instrument shall not exceed the maximum rate allowed by law.

EXHIBIT E
RELEASE OF MORTGAGE

(Top 3 inches reserved for recording data)

RELEASE OF MORTGAGE ("Security Instrument")

Date: Oct 24, 2012

FOR VALUABLE CONSIDERATION, the City of Stewartville, Olmsted County, Minnesota (the "Borrower") and the following described real property located in Olmsted County, Minnesota:

See legal description attached hereto as Exhibit A

are hereby released from that certain Mortgage ("Security Instrument") held by the undersigned, dated January 30, 2004, executed by City of Stewartville, as Mortgagor/Borrower, to Henry Schumann and Luella Schumann, husband and wife, as Mortgagee/Lender, securing that certain development agreement between the Borrower and Lender, dated August 26, 2003, and said instrument is discharged without further obligation by Borrower to pay the mortgage or any portion thereof.


Henry Schumann


Luella Schumann

STATE OF MINNESOTA)
) ss.
COUNTY OF OLMSTED)

The foregoing instrument was acknowledged before me this 30 day of Oct, 2012, by Henry Schumann and Luella Schumann, husband and wife, as Mortgagee/Lender.


Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

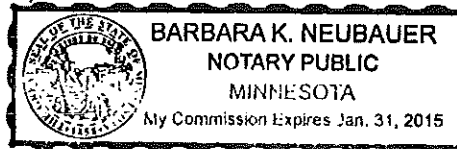


EXHIBIT A TO RELEASE OF MORTGAGE

LEGAL DESCRIPTION

Exhibit "A"

That part of the South Half of the Southwest Quarter of Section 22 and the North Half of the Northwest Quarter of Section 27, all in Township 105 North, Range 14 West, Olmsted County, Minnesota, lying west of the westerly right-of-way line of Minnesota Trunk Highway 63, described as follows:

Commencing at the southeast corner of said Southwest Quarter of Section 22; thence westerly on a Minnesota State Plane Grid Azimuth from north of 269 degrees 54 minutes 21 seconds along the south line of said Southwest Quarter 69.43 feet to said westerly right-of-way line and the point of beginning; thence northerly 359 degrees 48 minutes 27 seconds azimuth along said right-of-way line 206.11 feet; thence westerly 269 degrees 45 minutes 03 seconds azimuth 450.00 feet; thence northerly 359 degrees 48 minutes 27 seconds azimuth 71.16 feet; thence westerly 270 degrees 07 minutes 51 seconds azimuth 807.25 feet; thence southeasterly 147 degrees 04 minutes 07 seconds azimuth 332.32 feet to the south line of said Southwest Quarter; thence continuing southeasterly 147 degrees 04 minutes 07 seconds azimuth 95.04 feet; thence southwesterly 236 degrees 46 minutes 52 seconds azimuth 420.01 feet; thence southeasterly 147 degrees 04 minutes 07 seconds azimuth 415.25 feet; thence easterly 89 degrees 52 minutes 04 seconds azimuth 1153.69 feet to said westerly right-of-way line; thence northerly 359 degrees 48 minutes 27 seconds azimuth along said westerly right-of-way line 657.51 feet to the point of beginning.

Said tract contains 25.08 acres more or less.

**EXHIBIT F
FORM WARRANTY DEED**

(Top 3 inches reserved for recording data)

WARRANTY DEED

DEED TAX DUE: \$ _____

DATE: _____, 20____

FOR VALUABLE CONSIDERATION, Henry Schumann and Luella Schumann, husband and wife, ("Grantors"), hereby convey and warrant to City of Stewartville, a municipal Corporation under the laws of the State of Minnesota, ("Grantee"), real property in Olmsted County, Minnesota, legally described as follows:

See Exhibit A attached hereto

Check here if all or part of the described real property is Registered (Torrens) ____

together with all hereditaments and appurtenances belonging thereto, subject to the following exceptions:

- (a) Covenants, conditions, restrictions, declarations and easements of record, if any
- (b) Reservations of minerals or mineral rights by the State of Minnesota, if any
- (c) Building, zoning and subdivision laws and regulations
- (d) The lien of real estate taxes and installments of special assessments which are payable by Grantee

and that the same are free and clear from all encumbrances whatever, except any liens or encumbrances created or suffered to be created by the acts or defaults of Grantee.

The Seller certifies that the Seller does not know of any wells on the described real property.

Grantors

Henry Schumann

Luella Schumann

STATE OF MINNESOTA)
) ss.
COUNTY OF OLMSTED)

This instrument was acknowledged before me on _____, 20____, by Henry Schumann and Luella Schumann, husband and wife, Grantors.

(Stamp)

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:

Finance Director
City of Stewartville
P.O. Box 275
Stewartville, MN 55976-0275

EXHIBIT A TO WARRANTY DEED
LEGAL DESCRIPTION